

**PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Resolution ALJ 176-3173  
Administrative Law Judge Division  
May 25, 2006

**R E S O L U T I O N**

RESOLUTION ALJ 176-3173 Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4, and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

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The Commission's rules and procedures which implement the requirements of Senate Bill (SB) 960 (Leonard, ch. 96-0856) are, for the most part, found in Article 2.5 of our Rules of Practice and Procedure. The rules and procedures were adopted by the Commission in D.97-11-021, which describes more fully the background to the development of these rules. Rule 4 describes the formal proceedings to which the SB 960 rules (Article 2.5) apply. Rule 6.1 requires the Commission to preliminarily determine a proceeding's category, whether the proceeding requires a hearing, and designate an Assigned Commissioner and Administrative Law Judge. Rule 6.1(a) states that the preliminary determination of category is not appealable but shall be confirmed or changed by Assigned Commissioner's ruling. Unless and until a preliminary determination is changed by such ruling, the preliminary determination of category governs the applicability of the other reforms that SB 960 requires. Rule 63.2 provides for petitioning the Commission to reassign a proceeding to another administrative law judge. Rule 63.2(c) establishes the time for filing such a petition. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

**The Categories**

SB 960 makes sweeping changes in many aspects of the Commission's practices in an effort to improve the quality and timeliness of Commission decision making. It creates three categories of proceedings: adjudicatory, ratesetting, and quasi-legislative. The

applicability of many of the changes it requires depends upon the category assigned to the proceeding. For example, the ex parte rules which apply differ if the proceeding is categorized as adjudicatory rather than quasi-legislative. The Legislature defined each of these procedural categories in Section 7 of SB 960. Consistent with these definitions, the rules provide that:

“‘Adjudicatory’ proceedings are: (1) enforcement investigations into possible violations of any provision of statutory law or order or rule of the Commission; and (2) complaints against regulated entities, including those complaints that challenge the accuracy of a bill, but excluding those complaints that challenge the reasonableness of rates or charges, past, present, or future.

“‘Ratesetting’ proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities). ‘Ratesetting’ proceedings include complaints that challenge the reasonableness of rates or charges, past, present, or future. For purposes of this Article, other proceedings may be categorized as ratesetting as described in Rule 6.1(c).

“‘Quasi-legislative’ proceedings are proceedings that establish policy or rules (including generic ratemaking policy or rules) affecting a class of regulated entities, including those proceedings in which the Commission investigates rates or practices for an entire regulated industry or class of entities within the industry.” (Rules 5(b), 5(c), and 5(d).)

### **Mixed or Unclear Category Proceedings**

For a proceeding that may fall into more than one category, the rules allow parties to recommend that the Commission pick the most suitable category, or to recommend dividing the subject matter of the proceeding into different phases or one or more new proceedings, each with its own category. The rules provide that a proceeding that does not clearly fit into *any* of SB 960’s defined categories will be conducted under the rules applicable to the ratesetting category. As such a proceeding matures, the Commission may determine that the rules applicable to one of the other categories, or some hybrid of those rules, would be better suited to the proceeding.

As stated in D.97-06-071, ratesetting proceedings typically involve a mix of policymaking and factfinding relating to a particular public utility. Because proceedings that do not clearly fall within the adjudicatory or quasi-legislative categories likewise typically involve a mix of policymaking and factfinding, the ratesetting procedures are, in general, preferable for those proceedings.



**Next Steps**

As stated above, this preliminary determination of category is not appealable. Once interested parties have had an opportunity to respond to the initiating party's proposed category, the preliminary determination shall be confirmed or changed by Assigned Commissioner's Ruling pursuant to Rule 6(a)(3). This Assigned Commissioner Ruling may be appealed to the full Commission pursuant to Rule 6.4(a). Parties have 10 days after the ruling is mailed to appeal. Responses to the appeal are allowed under Rule 6.4(b), and must be filed and served not later than 15 days after the ruling is mailed. The full Commission will consider the appeal.

Any party, or person or entity declaring an intention to become a party is entitled to petition for reassignment of the proceeding to another Administrative Law Judge, as described in Rule 63.2. Such a petition must be filed no later than 10 days after notice of the assignment. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

**Conclusion**

The Commission has reviewed the initial pleading of the utility applicants listed in the attached schedule and has made a preliminary determination of category and need for hearing, consistent with the requirements and definitions of Article 2.5 of its rules.

**IT IS ORDERED** that each proceeding listed in the attached schedule is preliminarily categorized, and the need for a hearing is noted.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on \_\_\_\_\_, the following Commissioners voting favorably thereon:

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STEVE LARSON  
Executive Director

## PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3173 (5/25/06)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
<b>A06-05-011</b> HARBOR BREEZE CORP., dba HARBOR BREEZE YACHT CHARTERS AND CRUISES, for a Certificate of Public Convenience and Necessity to operate as a Vessel Common Carrier in nonscheduled/on-call passenger ferry service between Long Beach, California and all points and places on Santa Catalina Island and between all points and places at and between Long Beach and San Pedro, California; and to establish a Zone of Rate Freedom.	Ratesetting	Ratesetting	NO
<b>A06-05-012</b> MALICEVIC, ZLATKO, dba ZACK'S AIRPORT SHUTTLE, for authority to operate a passenger stage corporation between points in San Francisco, Alameda, Contra Costa, San Jose, Solano, Marin and San Mateo counties and the San Francisco, Oakland and San Jose International airports and to establish a zone of rate freedom.	Ratesetting	Ratesetting	NO
<b>A06-05-013</b> ALEKSANDR KOGEN AND ALEKSANDR NUDELMAN, dba QUAKE CITY SHUTTLE, INC., SAMME SHIHEIBER AND MAJED DAJANI, dba QUAKE CITY SHUTTLE, INC., Application for authorization to transfer all the stock interests in and all other assets of the business known as Quake City Shuttle, Inc., a California corporation, from Aleksandr Kogen and Aleksandr Nudelman to Samme Shiheiber and Majed Dajani pursuant to Section 851 et seq., California Public Utilities Code.	Ratesetting	Ratesetting	NO
<b>A06-05-014</b> CATALINA PASSENGER SERVICE, INC., A CALIFORNIA CORPORATION (VCC 47), for authorization to increase rates of fare for the transportation of passengers by vessel between Newport Beach and Avalon, Santa Catalina Island, California.	Ratesetting	Ratesetting	NO
<b>A06-05-015</b> ROMY BUS COMPANY, LLC, for authority to operate as a Passenger Stage Corporation and as a pre-arranged (on call) city to city Passenger Stage Service between points in the following cities: Sacramento, Woodland, Salinas, Watsonville, Calexico, San Ysidro, Los Angeles, Bakersfield, and Fresno, and the ports of entry at Calexico and San Ysidro and the above named cities; and to establish a Zone of Rate Freedom.	Ratesetting	Ratesetting	NO

## PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3173 (5/25/06)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
<b>A06-05-016</b> PACIFIC GAS AND ELECTRIC COMPANY, for Review of Incremental Costs for the Interruptible Load Programs and providing Notice of Availability of the Annual Reports on 2005 Energy Efficiency and Low Income Energy Efficiency Programs; and Measurement and Evaluation Results. (Annual Earning Assessment Proceeding.)	Ratesetting	Ratesetting	NO
<b>A06-05-017</b> PACIFIC GAS AND ELECTRIC COMPANY, to address its current overcollection in its Energy Resource Recovery Account (ERRA).	Ratesetting	Ratesetting	NO
<b>A06-05-018</b> SOUTHERN CALIFORNIA EDISON COMPANY (U 338 E), for an Order approving Settlement Agreement with Duke Energy Trading and Marketing, L.L.C.	Ratesetting	Ratesetting	NO
<b>A06-05-019</b> SONIC TELECOM, LLC, for a Certificate of Public Convenience and Necessity to provide Limited Facilities-Based and Resold Local Exchange, IntraLATA and InterLATA Interexchange Telephone Service in all SBC California, Verizon California, Citizens Telephone and SureWest Telephone local exchange areas.	Ratesetting	Ratesetting	NO
<b>A06-05-020</b> INTERATEL, LLC, formerly known as Nucomnet, LLC, a California Limited Liability Company, to expand its Certificate of Public Convenience and Necessity to provide Limited Facilities-Based Local Exchange and Exchange Access Services within the State of California.	Ratesetting	Ratesetting	NO
<b>A06-05-021</b> ZEUS TELECOMMUNICATIONS, LLC, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
<b>A06-05-022</b> CLOSECALL AMERICA, INC., for a Certificate of Public Convenience and Necessity, to offer Local Exchange, Facilities-Based, Access and Interexchange Services in the State of California.	Ratesetting	Ratesetting	NO